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EASTERN MUNICIPAL WATER DISTRICT RECYCLED WATER SYSTEM PRESSURIZATION AND EXPANSION PROJECT

APRIL 10, 2008.—Ordered to be printed

Mr. BINGAMAN, from the Committee on Energy and Natural
Resources, submitted the following

R E P O R T

[To accompany H.R. 30]

The Committee on Energy and Natural Resources, to which was referred the Act (H.R. 30) to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Eastern Municipal Water District Recycled Water System Pressurization and Expansion Project, having considered the same, reports favorably thereon without amendment and recommends that the Act do pass.

PURPOSE OF THE MEASURE

The purpose of H.R. 30 is to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Eastern Municipal Water District Recycled Water System Pressurization and Expansion Project.

BACKGROUND AND NEED

Located in arid southern California, the Eastern Municipal Water District (EMWD) provides water service to a rapidly growing population of more than 500,000 including the cities of Moreno Valley, Perris, San Jacinto, Hemet, Murrieta, and Temecula, and unincorporated areas of southwest Riverside County.

Like many water districts in the region, EMWD relies heavily on imported water from the Sacramento/San Joaquin Bay-Delta and the Colorado River. In light of growing demand, EMWD has invested in developing and managing local water resources, including

groundwater recharge, brackish groundwater desalination, and water recycling.

Currently, EMWD uses over 100 miles of pipeline to deliver 24,000 acre feet of recycled water per year. While nearly seventy percent of the recycled water goes to agricultural customers, municipal and industrial demands for this supply are rapidly increasing. As this transition from agricultural use to urban use progresses, water recycling system infrastructure investments in operational storage, flow-control, and pressure zones are needed. H.R. 30 would provide limited funding to assist EMWD in upgrading and expanding its water recycling system.

LEGISLATIVE HISTORY

H.R. 30 was introduced in the House of Representatives by Rep. Issa (CA) on January 4, 2007, and referred to the Committee on Natural Resources. Under suspension of the rules, H.R. 30 passed the House of Representatives on May 7, 2007. The bill was received in the Senate and referred to the Committee on Energy and Natural Resources. The Subcommittee on Water and Power held a hearing on H.R. 30 on August 1, 2007. At its business meeting on January 30, 2008, the Senate Committee on Energy and Natural Resources ordered H.R. 30 to be favorably reported.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on January 30, 2008, by voice vote of a quorum present, recommends that the Senate pass H.R. 30.

SECTION-BY-SECTION ANALYSIS

Section 1 provides the short title of the Act.

Section 2 amends the Reclamation Wastewater and Groundwater Study and Facilities Act by adding a new section authorizing the Secretary of the Interior to participate in a recycling water project with the Eastern Municipal Water District in California, with a 25 percent federal cost-share, in an amount not to exceed \$12 million.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office:

H.R. 30—Eastern Municipal Water District Recycled Water System Pressurization and Expansion Project

Summary: H.R. 30 would authorize the Secretary of the Interior to help design, plan, and construct facilities to recycle water in the Eastern Municipal Water District of California.

CBO estimates that implementing H.R. 30 would cost \$12 million over the 2008–2013 period, assuming appropriation of the necessary amounts. Enacting the legislation would not affect direct spending or revenues.

H.R. 30 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 30 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By fiscal year, in millions of dollars—					
	2008	2009	2010	2011	2012	2013
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	1	5	4	2	0	0
Estimated Outlays	1	4	5	2	0	0

Basis of estimate: For this estimate, CBO assumes that necessary amounts will be appropriated during fiscal year 2008 and near the start of subsequent fiscal years. Estimates of outlays are based on historical spending patterns for similar activities.

H.R. 30 would authorize the Secretary of the Interior, in cooperation with the Eastern Municipal Water District of California, to help design, plan, and construct facilities needed to establish pressure zones that would be used to provide recycled water to the district. Based on information from the Bureau of Reclamation, CBO estimates that the total cost of the project would be \$48 million.

Under the legislation, the federal share of the project would be 25 percent, and federal funds would not be available for operation and maintenance. The authority of the Secretary to carry out the projects would sunset 10 years after the date of the enactment of the act.

Assuming appropriation of the amounts necessary to proceed with the project, CBO estimates that implementing the legislation would cost \$12 million over the 2008–2013 period.

Intergovernmental and private-sector impact: H.R. 30 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Funds authorized in the act to design, plan, and construct a system for recycling water would benefit the Eastern Municipal Water District in southern California. Any costs the district might incur would result from complying with conditions for receiving federal assistance.

Estimate prepared by: Federal Costs: Tyler Kruzich; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private-Sector: Amy Petz.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out H.R. 30. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of H.R. 30, as ordered reported.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Bureau of Reclamation at the subcommittee hearing on August 1, 2007 on H.R. 30 follows:

STATEMENT OF LARRY TODD, DEPUTY COMMISSIONER, BUREAU OF RECLAMATION, U.S. DEPARTMENT OF THE INTERIOR

Mr. Chairman and Members of the Subcommittee, I am Larry Todd, Deputy Commissioner for Policy, Administration and Budget with the Bureau of Reclamation. I am pleased to be here today to give the Department's views on H.R. 30, the Eastern Municipal Water District Recycled Water System Pressurization and Expansion Project Act. The Department cannot support H.R. 30.

In 1992, Congress adopted, and the President signed, the Reclamation Projects Authorization and Adjustment Act (Public Law 102-575). Title XVI of this Act, the Wastewater and Groundwater Study and Facilities Act, authorized the Secretary to participate in the planning, design and construction of five water reclamation and reuse projects. The Bureau of Reclamation has been administering a grant program to fund these Title XVI projects since 1994, and the Act has been amended to authorize a total of 32 projects.

H.R. 30 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act (43 U.S.C. 390h et seq.), to authorize the Secretary of the Interior to participate in the design, planning, and construction of improvements to the Eastern Municipal Water District's reclaimed water distribution system in Riverside County, California. It provides for Federal funding of 25 percent of the total project cost or \$12 million, whichever is less.

Eastern's five water reclamation plants currently produce about 52,000 acre-feet per year. The reclaimed water is distributed by a gravity flow system primarily serving agricultural users. This project would create a pressurized distribution system suitable for municipal users, including at least four reservoir tanks of about 4 million gallons capacity each, with associated pipelines and pumping stations. The distribution system may also be expanded eastward to serve existing citrus groves. Project benefits include local drought protection and reduced dependence on imported water.

Mr. Chairman, the Department supports efforts to increase local water supplies and increase recycled water use in southern California. However, given the costs of the currently active Title XVI projects, we cannot support the authorization of new projects at this time. Of the 32 specific Title XVI projects authorized to date, 21 have received funding. The remaining estimated total authorized Federal cost share of these 21 active Title XVI projects is at least \$328 million.

Additionally, Reclamation is currently working with the District to review the technical work completed to date and

to identify the additional work necessary to prepare a complete feasibility report meeting the feasibility requirements of Title XVI projects. However, because the technical studies are not complete, the feasibility and cost effectiveness of this project cannot be determined, as required by Title XVI.

While Reclamation does not support new authorizations for Federal cost sharing of water recycling projects, we understand that the projects established by Title XVI are important to many water users in the West. To that end, Reclamation has set about revising and improving its Directives and Standards that govern reviews of Title XVI projects. By doing so, we believe that Reclamation can play a more constructive role with local sponsors in weighing the merits and ultimate feasibility of proposed water recycling projects.

Mr. Chairman, this concludes my testimony. Thank you for the opportunity to comment on H.R. 30. I would be happy to answer any questions at this time.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill H.R. 30, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

RECLAMATION PROJECTS AUTHORIZATION AND ADJUSTMENT ACT OF 1992

PUBLIC LAW 102-575, Title XVI, Section 16XX (106 Stat. 4663)

AN ACT To authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming

Be it enacted by the Senate and the House of Representatives of The United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reclamation Projects Authorization and Adjustment Act of 1992".

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TITLE XVI—RECLAMATION WASTEWATER AND GROUNDWATER STUDIES

SEC. 1601. SHORT TITLE.

This title may be referred to as the “Reclamation Wastewater and Groundwater Study and Facilities Act”.

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SEC. 16XX. EASTERN MUNICIPAL WATER DISTRICT RECYCLED WATER SYSTEM PRESSURIZATION AND EXPANSION PROJECT, CALIFORNIA

(a) *AUTHORIZATION.*—*The Secretary, in cooperation with the Eastern Municipal Water District, California, may participate in the design, planning, and construction of permanent facilities needed to establish operational pressure zones that will be used to provide recycled water in the district.*

(b) *COST SHARING.*—*The Federal share of the cost of the project described in subsection (a) shall not exceed 25 percent of the total cost of the project.*

(c) *LIMITATION.*—*Funds provided by the Secretary shall not be used for operation or maintenance of the project described in subsection (a).*

(d) *AUTHORIZATION OF APPROPRIATIONS.*—*There is authorized to be appropriated to carry out this section \$12,000,000.*

(e) *SUNSET OF AUTHORITY.*—*The authority of the Secretary to carry out any provisions of this section shall terminate 10 years after the date of enactment of this section.*

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